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# In the Supreme Court of the United States

Mary E. Bonner Johnson,

*Petitioner,*

vs.

Richard W. Woodcock,

*Respondent.*

ON PETITION FOR WRIT OF CERTIORARI
TO THE U.S COURT OF APPEALS
FOR THE EIGHTH CIRCUIT

## PETITION FOR WRIT OF CERTIORARI

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## Questions Presented

1. Whether the Court erred in denying the existence of personal jurisdiction over Woodcock.

2. Whether the additional evidence should have been allowed while the case was still pending before the court of first impression, and no opinion had issued.

3. Whether the Court erred in denying the request to transfer the matter, if no personal jurisdiction was properly found to exist.

## Introductory Statement

Mary E. Bonner Johnson and Richard W. Woodcock are co-authors of the Woodcock-Johnson battery of tests, which have been adopted as a standard for assessment in this country, as well as many others. Together they developed and wrote the original Woodcock-Johnson Battery, and its first revision over some twenty years. Woodcock hid from Johnson the project that became the second revision, and willfully and deliberately prevented her from participating in that revision, thereby causing her damage. Johnson received no salary for her co-authorship, but was assured by Woodcock that she would receive a continuing stream of royalties upon publication.

## List of Parties

The parties are both individuals. No corporation or other business is involved in the present suit.

## Citations to Opinions and Orders

April 11, 2006, Opinion of the U.S. Court of Appeals for the Eighth Circuit, 444 F.3d 953 (8th Cir. 2006).

April 7, 2006, Order of the U.S. Court of Appeals for the Eighth Circuit, vacating its prior decision, 2006 U.S. App. LEXIS 8512.

February 3, 2006, Opinion of U.S. Court of Appeals for the Eighth Circuit, 437 F.3d 702 (8th Cir. 2006).

March 22, 2005, Order of Judge David Doty of the U.S. District Court for the District of Minnesota in Case No. 04-1485.

January 20, 2005, Report and Recommendations of Magistrate Judge Janie Mayeron of the U.S. District Court for the District of Minnesota in Case No. 04-1485.

## This Court's Jurisdiction

The United States Supreme Court has jurisdiction to review this matter on a writ of certiorari under the United States Code, Title 28, section 1254(1).

## Statement of the Case

This case involves a dispute between co-authors. The United States District Court properly heard the matter because the Complaint stated a cause of action under the Lanham Act, 25 U.S.C. §§ 1125 *et seq.*, thereby giving rise to federal question jurisdiction under 28 U.S.C. § 1331.

## Argument

I. Personal Jurisdiction

This case presents the important issue of the existence of personal jurisdiction over an individual who does not maintain a residence in the forum state, but who has continuous and systematic contacts with the forum state. For almost forty years, Woodcock has had continuous and systematic contact with Minnesota. He has worked for, and created, Minnesota companies, and worked with Johnson, as co-author, on both the original battery of tests and the first revision. On the second revision, he replaced Johnson with another individual living in Minnesota. Johnson provided a long list of Woodcock's contacts. Woodcock alleges that he now lives outside of Minnesota, and is thus not subject to personal jurisdiction in Minnesota. Johnson has established a *prima facie* case of personal jurisdiction, and is entitled to have the merits of the case decided by the District of Minnesota. Moreover, the Magistrate Judge found general personal jurisdiction over Woodcock to exist, and Woodcock

never filed an objection to that finding, thereby precluding his ability to object subsequently.

II. Supplementation of the Record

After the Magistrate Judge issued her Report and Recommendations, Johnson timely filed objections, and supplemented the record with even more facts supporting personal jurisdiction. All of this was done before any decision was rendered by the District Court. The parties did not agree to have the case heard by the Magistrate Judge. Thus, the supplementation should have been accepted while the matter was still pending before the court of first instance.

III. Transfer of the Case

The Court of Appeals initially upheld the decision of the District Court, including its dismissal of claims on the merits, made after holding that personal jurisdiction did not exist, and ordered the case to be dismissed. Johnson sought and was granted rehearing by the panel, and the Court of Appeals modified its decision, reversing the District Court's dismissal on the merits. However, the Court still dismissed the matter, rather than ordering transfer. Because dismissal for lack of personal jurisdiction may *de facto* become a dismissal on the merits, due to the mere passage of time, Johnson believes that it is only appropriate to transfer.

## Conclusion

Petitioner respectfully requests review of the decision by the Court of Appeals.

Dated: July 10, 2006

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## APPENDIX INDEX

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United States Court of Appeals
for the Eighth Circuit

No. 05-2192

Mary E. Bonner Johnson, *
Appellant, *
* Appeal from the United States
v. * District Court for the
* District of Minnesota.
Richard W. Woodcock, *
*
Appellee. *

Submitted: April 7, 2006 Filed: April 11, 2006

Before WOLLMAN, LAY, and MELLOY, Circuit Judges.

WOLLMAN, Circuit Judge.

Mary E. Bonner Johnson appeals the district court's[1] grant of Richard W. Woodcock's motion to dismiss for lack of personal jurisdiction. We affirm.[2]

[1]The Honorable David S. Doty, United States District Judge for the District of Minnesota.

[2]Because we hold that the district court lacked personal jurisdiction, we do not reach the merits of Johnson's Lanham Act claim. We are not empowered to issue opinions on moot questions or to declare rules of law that do not affect the case before us. Republican Party of Minnesota v. Klobuchar, 381 F.3d 785, 790 (8th Cir. 2004). In addition, we affirm the district court's dismissal even though the court was empowered by 28 U.S.C. § 1631 to transfer the action to another court to cure the lack of jurisdiction. Johnson did not

I.

Johnson and Woodcock began working together in 1968. Johnson first served as Woodcock's secretary at American Guidance Services, a Minnesota company where Woodcock was involved in the development of psychological and cognitive ability tests. This relationship flourished for a time, and when Woodcock left American Guidance Services in 1972 to form Measurement Learning Consultants (MLC), Johnson joined him at the new firm as the assistant director. While working together at MLC, Woodcock developed a series of psychological tests, the most significant of which is the Woodcock-Johnson Psychoeducational Battery (Battery). The level of Johnson's involvement is disputed, but Johnson alleges that she was the co-author of the Battery and was significantly involved in the substantive development of the tests.

When Teaching Resources Corporation (Teaching Resources) published the Battery in 1976, Woodcock and Johnson entered into a contract that allocated ninety percent of the royalties to Woodcock and the remaining ten percent to Johnson. In 1977, Woodcock moved MLC's operations to Oregon. Johnson remained in Minnesota, but she and Woodcock continued to have a business relationship throughout the 1980s, working together on revisions to the Battery. In February 1986, they entered into a publishing contract for the revised edition of the Woodcock-Johnson Battery.

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request such a transfer either in the district court or in the briefs or during oral argument before this court and now raises the issue belatedly by way of a petition for rehearing. Accordingly, we deem any request for a transfer to have been waived. See, e.g., Chay-Velasquez v. Ashcroft, 367 F.3d 751, 756 (8th Cir. 2004) (failure to raise issue in opening brief on appeal generally constitutes waiver).

After Woodcock moved his residence from Minnesota in 1977, he resided in several other states, including Oregon, California, and Tennessee. Except for a short period in the early 1980s, he has not had a Minnesota residence since 1977 and has had limited contact with that state. Woodcock continued to have a working relationship with Johnson until 1989, and they have occasionally corresponded and conversed over the years. Woodcock has also published two books through American Guidance Services, a Minnesota company.

In 1997, Woodcock and three new co-authors, including Kevin McGrew, a Minnesota resident, entered into a contract with Riverside Publishing Company to publish a third revision to the Battery. The third revision was published in 2001. Although she was not a party to the 1997 contract, Johnson claimed a right to royalty payments thereunder. She filed this action against Woodcock in the District of Minnesota, alleging violations of the Lanham Act and the Minnesota Deceptive Trade Practices Act, as well as intentional interference with business relations, misrepresentation, breach of contract, and promissory estoppel. The district court dismissed the suit for lack of personal jurisdiction over Woodcock.

II.

We review *de novo* a dismissal for lack of personal jurisdiction. Porter v. Berall, 293 F.3d 1073, 1075 (8th Cir. 2002). The party asserting personal jurisdiction has the burden of establishing a prima facie case. Epps v. Stewart Information Service Corp., 327 F.3d 642, 647 (8th Cir. 2003). Because Minnesota's long-arm statute is coextensive with constitutional limits, we need only determine whether the assertion of jurisdiction over this defendant offends due process. Minnesota Mining & Mfg. v. Nippon Carbide Indus., 63 F.3d 694, 696-97 (8th Cir. 1995).

Personal jurisdiction exists only if the contacts between the defendant and the forum state are sufficient to establish that the defendant has purposefully availed himself of the benefits and protections of the forum state. Porter, 293 F.3d at 1075. This purposeful availment must be sufficient to provide the defendant with fair warning that his activities might result in his being haled into court in that jurisdiction. Id. "Minimum contacts must exist either at the time the cause of action arose, the time the suit was filed, or within a reasonable period of time immediately prior to the filing of the lawsuit." Pecoraro v. Sky Ranch For Boys, Inc., 340 F.3d 558, 562 (8th Cir. 2003).

The nonmoving party also must establish that a "substantial connection" exists between the defendant and the forum state. Porter, 293 F.3d at 1075 (citing Burger King Corp. v. Rudzewicz, 471 U.S. 462, 475 (1985)). We consider five factors in determining whether a substantial connection exists: (1) the nature and quality of the contacts with the forum state; (2) the quantity of the contacts with the forum state; (3) the relation of the cause of action to those contacts; (4) the interest of the forum state in providing a forum for its residents; and (5) the convenience of the parties. Id. at 1076. The last two factors carry less weight and are not dispositive. Id.

In Helicopteros Nacionales de Colombia, S.A. v. Hall, the Supreme Court articulated two theories for finding personal jurisdiction: specific jurisdiction and general jurisdiction. See 466 U.S. 408, 414-15 (1984). Specific jurisdiction can only be found if the controversy is "related to or 'arises out of'" the defendant's contacts with the forum state. Id. at 414. General jurisdiction exists where the contacts between the defendant and the forum state are "continuous and systematic" even if there is no relationship between the contacts and the cause of action. Id. at 415.

Regarding specific jurisdiction, Johnson makes only a conclusory assertion that the causes of action are related to the relationship that Woodcock established and maintained with Minnesota and Johnson. The burden to establish a prima facie case of personal jurisdiction is on the party asserting jurisdiction, and Johnson does not meet that burden. The only relevant contacts that are related to or give rise to the controversy here are the contacts between Woodcock and Johnson. Those contacts are too random, fortuitous, or attenuated to support an assertion of jurisdiction in this case. The contacts asserted in the 1960s, 70s, and 80s are not within the reasonable timeframe required by Pecararo. 340 F.3d at 562. The occasional correspondences between Johnson and Woodcock similarly do not support jurisdiction. "Contact by phone or mail is insufficient to justify exercise of personal jurisdiction under the due process clause." Porter, 293 F.3d at 1076. The only other asserted contacts are those between Woodcock and McGrew and those between Woodcock and a publishing company in Minnesota. Johnson has made no attempt to explain how any of those contacts are related to the causes of action here. Johnson's conclusory allegations do not satisfy her burden to establish a prima facie case of specific jurisdiction.

Johnson's primary argument is that general jurisdiction exists over Woodcock in Minnesota. The contacts Johnson articulates, however, fall short of the "continuous and systematic general business contacts" required to find general jurisdiction. See Helicopteros, 466 U.S. at 416. The correspondence between Woodcock and Johnson does not support general jurisdiction. See Porter, 293 F.3d at 1076. The other business contacts between Woodcock and Minnesota that fall within the relevant time frame, involving some collaboration with a Minnesota resident on one project and a publishing relationship with a Minnesota company, are also insufficient to warrant general jurisdiction. Cf. Helicopteros, 466 U.S. at 418 ("[W]e hold that mere

purchases, even if occurring at regular intervals, are not enough to warrant a State's assertion of *in personam* jurisdiction over a nonresident corporation in a cause of action not related to those purchase transactions.").

Johnson argues that the magistrate judge found general jurisdiction over some claims and that because Woodcock did not challenge this finding, the issue was waived. Woodcock did challenge this finding in the district court, however, so the issue was preserved. Johnson further argues that the district court abused its discretion in denying her motion to supplement the record. The district court adequately justified this decision based on its interest in encouraging parties to present all evidence to the magistrate judge in a clear and timely fashion. Moreover, Johnson has not shown how the requested expansion of the record would create evidence of sufficient contacts to affect the outcome of this issue. Accordingly, the district court did not abuse its discretion in refusing to accept evidence that was not presented to the magistrate judge.

The order of dismissal is affirmed.

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United States District Court
District of Minnesota
Civil No. 04-1485(DSD/JSM)

Mary E. Bonner Johnson, Plaintiff,

v. ORDER

Richard W. Woodcock,

Defendant.

This matter is before the court upon defendant's objection to Magistrate Judge Janie S. Mayeron's report and recommendation, dated January 20, 2005. In her report, the magistrate judge concluded that defendant's motion to dismiss should be granted.

The court reviews the findings and recommendations of the magistrate judge de novo. 28 U.S.C. § 636(b)(1)(C). In this case, the court must first address the "additional declarations" submitted by plaintiff and her counsel. When reviewing a magistrate judge's report and recommendation, the district court has discretion whether to allow a party to expand the factual record. See Hynes v. Squillace, 143 F.3d 653, 656 (2d Cir.), cert. denied, 525 U.S. 907 (1998). In considering whether to allow such expansion the court is mindful that:

> [i]t is not in the interests of justice to allow a party to wait until the Report and Recommendation or Order has been issued and then submit evidence that the party had in its possession but chose not to submit. Doing so would allow parties to undertake trial runs ..., adding to the record in bits and pieces depending upon the rulings or recommendation they received.

Wallace v. Tilley, 41 F.3d 296, 302 (7th Cir. 1994). Plaintiff and her counsel offer no reason why they ought be excused from their failure to offer declarations prior to the magistrate judge's issuance of her report and recommendation.[1] Therefore, the court declines to consider the declarations.

Turning to the merits of plaintiff's objections, the magistrate judge correctly concluded that specific personal jurisdiction does not exist over plaintiff's claims of intentional interference with business relations, intentional misrepresentation or omission, negligent misrepresentation, breach of contract and promissory estoppel. Specific personal jurisdiction exists only if the cause of action arose out of or was related to a defendant's activities within the state. Romak USA, Inc. v. Rich, 384 F.3d 979, 984 (8th Cir. 2004). In her objections, plaintiff offers no analysis of how her various alleged causes of action relate to conduct that defendant directed toward Minnesota. Therefore, her objection is overruled.

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[1] Moreover, the court faults the manner in which plaintiff impliedly criticizes the magistrate judge for failing to find facts which she "implied in [her] original submissions, but which are clarified and expressly set forth in the additional Declarations...." (Obj. at 2.) The magistrate judge had no obligation to read between the lines of plaintiff's submissions. If plaintiff wanted the court to consider a fact, she should have stated it plainly and in timely fashion. If she failed to do so, the bench is not to blame.

The magistrate judge also correctly concluded that defendant is not subject to general personal jurisdiction in Minnesota. Such jurisdiction requires "continuous and systematic" contacts with a forum state. Dever v. Hentzen Coatings, Inc., 380 F.3d 1070, 1073 (8th Cir. 2004) (citing Helicopteros Nacionales de Columbia, S.A. v. Hall, 466 U.S. 408, 415-16 (1984)). The magistrate judge appropriately held that, since he moved out of the state in 1977, defendant's contacts with Minnesota have been insufficient to support a finding of general personal jurisdiction.[2]

However, the court declines to adopt the magistrate judge's conclusion that plaintiff's Lanham Act and Minnesota Deceptive Trade Practices Act claims are time-barred. Because the complaint fails to allege when the material that is the subject of the claims was published, the court cannot say that "it appears from the face of the complaint itself that the limitation period has run." Guy v. Swift & Co., 612 F.2d 383, 385 (8th Cir. 1980).

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[2] Plaintiff makes much of the magistrate judge's statement that the defendant's contacts with Minnesota "warrant a finding that general personal jurisdiction exists for [plaintiff's Lanham Act and state unfair competition claims] to the extent they involved representations made related to unnamed tests developed between 1975-1977." (R&R at 15-16.) The statement is puzzling because general personal jurisdiction does not discriminate between different causes of action. That is, under a theory of general jurisdiction, the court would have jurisdiction over all of plaintiff's claims or none of them.

The magistrate judge may have meant to state that specific jurisdiction exists over those claims or that general jurisdiction might have existed over defendant in an earlier decade. The point is moot, however, because the claims fail for other reasons. See infra.

Nevertheless, counts one and two of plaintiff's complaint fail to state claims upon which relief may be granted. As defendant accurately observes, there is no liability under the Lanham Act for plagiarism. Dastar Corp. v. Twentieth Century Fox Film Corp., 539 U.S. 23 (2003). Yet plagiarism, that is defendant's passing off of plaintiff's creative work as his own, is exactly what plaintiff alleges in count one of the complaint. (Compl. ¶¶ 95-98.) Furthermore, because the Minnesota Deceptive Trade Practices Act is co-extensive with the Lanham Act, it follows that there can be no state claim for plagiarism. See Hillerich & Bradsby Co. v. Christian Bros., Inc., 943 F. Supp. 1136, 1140 (D. Minn. 1996). Thus plaintiff fails to state viable claims in counts one and two of the complaint.

Therefore, following a de novo review of the file and record, the court adopts the report and recommendation of the magistrate judge in part. Accordingly, IT IS HEREBY ORDERED that defendant's motion to dismiss [Doc. No. 2] is granted.

Dated: March 22, 2005

s/
David S. Doty
David S. Doty, Judge
United States District Court

In the United States District Court
District of Minnesota

MARY E. BONNER JOHNSON,
Plaintiff,

v.

RICHARD W. WOODCOCK,
Defendant.

CIVIL NO. 04-1485 (DSD/JSM)

REPORT AND RECOMMENDATION

The above matter came before the undersigned United States Magistrate Judge upon defendant's Motion to Dismiss [Docket No. 2]. Paul E. Lacy, Esq. appeared on behalf of plaintiff and Charles N. Nauen, Esq. appeared on behalf of defendant.

This matter has been referred to the undersigned Magistrate Judge for a Report and Recommendation by the District Court pursuant to 28 U.S.C. § 636(b)(1)(B) and Local Rule 72.1(c).

For the reasons discussed below, IT IS RECOMMENDED THAT defendant's Motion to Dismiss [Docket No. 2] be GRANTED.

FACTUAL BACKGROUND

Plaintiff Mary Bonner Johnson ("Johnson") alleged in her Complaint that she was hired by American Guidance Services ("AGS") in 1968 to be the secretary of defendant Richard Woodcock ("Woodcock"). See Complaint, ¶ 7. AGS was located in Circle Pines, Minnesota. See Declaration of Mary E. Bonner Johnson in Opposition to Defendant's Motions to Dismiss ("Johnson Decl."), ¶ 3; see also Affidavit of Dr. Richard W. Woodcock ("Woodcock Aff."), ¶ 3. Woodcock was the editor and director of research at AGS,

which was a company that developed educational and psychological tests. See Woodcock Aff., ¶ 3.

In 1972, Dr. Woodcock left AGS and created Measurement/Learning/Consultants ("MLC"), a sole proprietorship, recognized for tax purposes in Tennessee. See Woodcock Aff., ¶ 5. However, Woodcock subsequently published at least two works with AGS, which are still print with the company. See Declaration of Paul E. Lacy, Esq. in Opposition to Plaintiff's Motions to Dismiss ("Lacy Decl."), Exs. B1-B3. According to Johnson, Woodcock had at one point decided to move MLC to Denver, Colorado, but then decided to keep it in Minnesota. See Johnson Decl., ¶ 12. Woodcock asserted that between 1974 and 1975, he moved to Boston, Massachusetts and closed MLC as he anticipated returning to clinical work and teaching. See Woodcock Aff., ¶ 7. Johnson disputed Woodcock's contention that he closed MLC and asserted that he moved MLC into her home in Minnesota and also rented a room in a retail complex across the street from AGS in order to maintain operations. See Johnson Decl., ¶ 14.

In 1975, Woodcock returned to Minnesota to develop psycho-educational tests. On April 8, 1976, Woodcock contracted with Teaching Resources to publish the Woodcock-Johnson Psycho-Educational Battery ("WJ" ). See Woodcock Aff., ¶ 8. Teaching Resources was a company organized under laws of Massachusetts, with its office in Boston, Massachusetts. See Affidavit of Charles N. Nauen ("Nauen Aff."), Ex. B.

The parties dispute Johnson's contribution to the development of WJ. Woodcock contended that he placed Johnson's name on the WJ test and made her a party to the contract in order to reward her for her contributions to the office management and logistics of the WJ project, rather than paying her a salary. See Woodcock Aff., ¶ 9.

Johnson maintained that her work on WJ included gathering socioeconomic information, arranging for test sites,

training those who administered the tests, analyzing items that were tested, coordinating the testing of thousands of students across the country, and authoring hundreds of items for the tests. See Johnson Decl., ¶¶ 18-21.

The contract between Teaching Resources, Woodcock, and Johnson provided that Woodcock would received 9/10ths of a 20% royalty, while Johnson would receive 1/10th of the 20% royalty, resulting from the sales of the WJ. See Nauen Aff., Ex. B, ¶ 3; see also Complaint, ¶ 62. Woodcock and Johnson assigned to Teaching Resources "all of their rights in and to the Work, including, without limitation, the exclusive right to manufacture, publish, copy and vend the Work. . . throughout the world. . . ." See Nauen Aff., Ex. B, ¶ 1. The governing law of the contract was Massachusetts law. Id., ¶ 14.

The WJ was published in 1977. See Woodcock Aff., ¶ 15; see also Complaint, ¶ 69. Shortly after the publishing of the WJ, Woodcock moved to Oregon. See Johnson Decl., ¶ 24; see also Woodcock Aff., ¶ 15. Woodcock also moved the operations of MLC to Oregon. Id. Johnson claimed that she flew to Oregon on many occasions in order to assist Woodcock with matters related to the WJ and the development of a Spanish WJ. See Complaint, ¶¶ 73-77. Between 1980 and 1982, Spanish and English WJ batteries were developed. See Woodcock Aff., ¶ 17.

In November of 1983, Teaching Resources was acquired by DLM, Inc. ("DLM"), a publisher based in Texas and incorporated in Illinois, and DLM acquired the rights to publish the WJ and related tests. See Complaint, ¶ 82; see also Woodcock Aff., ¶ 18. In 1984, DLM approached Woodcock about developing a revised and updated WJ. See Woodcock Aff., ¶ 19. On December 26, 1985, DLM, Woodcock, and Johnson entered into a contract for the development and publication of the Woodcock-Johnson Psycho-Educational Battery-Revised ("WJ-R"). See Woodcock Aff., ¶ 20; see also Nauen Aff., Ex. C. The WJ-R

Contract provided in relevant part:

> The Authors [Woodcock and Johnson] grant and assign to the Publisher all rights in and to the Work, including, without limitation, the exclusive right to manufacture, publish, copy, and vend the Work in the English language or in any other language thought the world; the exclusive right to secure and hold copyright, trademarks and patents in the work and all components thereof. . . .
>
> * * *
>
> The authors further grant and assign to the Publisher all rights in and to the trademarks and trade names "Woodcock-Johnson" . . . .
>
> * * *
>
> The Publisher will manufacture and market the Work at its own expense in such a form and style as the Publisher shall determine and in such manner . . . as the publisher deem expedient.

See Nauen Aff., Ex. C. In addition, the WJ-R contract provided that the agreement was to be construed by laws of the state of Illinois. Id. According to Johnson, she was fully involved in the development of WJ-R, and that Woodcock flew her repeatedly to his apartment in Arizona, where she made revisions to the WJ-R and wrote test questions. See Johnson Decl., ¶ 28. Johnson also alleged that she traveled to DLM headquarters in Texas for planning sessions, updates of tests, meetings to discuss the scope of testing, and hiring testers in conjunction with WJ-R. See Complaint, ¶ 89. Johnson further alleged that was she directly involved from Minnesota as an author of WJ-R, in addition to traveling. Id., ¶ 103. The WJ-R was published in 1989. See Woodcock Aff., ¶ 21.

In 1995, Woodcock and his wife formed

Measurement/Learning/Consultants L.L.C. in Tennessee. See Woodcock Aff., ¶ 23. According to Woodcock, Riverside Publishing Company ("Riverside") purchased DLM in September of 1992 and registered "Woodcock-Johnson" as a trademark in the U.S. Patent and Trademark Office. Id., ¶ 22. During 1995-1996, Woodcock had discussions with Riverside about revising the WJ-R. Id., ¶ 23. On December 22, 1997, Woodcock and Riverside contracted to publish the WJ-III. Id. The authors on this contract were Measurement/ Learning/Consultants, L.L.C., Kevin McGrew, Nancy Mather, and Fredrick Schrank. See Nauen Aff., Ex. D.[1] The contract made no mention of Johnson. Under the WJ-III contract, the authors granted and assigned to Riverside "all rights in and to the Test, including, without limitation, the exclusive rights to manufacture, publish, copy and vend the Test throughout the World. . . ." See Nauen Aff., Ex. D, section 1.2. The contract also assigned the Woodcock-Johnson trademark to Riverside. Id. Johnson acknowledged that sometime in the 1990's, she sent papers to Woodcock assigning her rights in the Woodcock-Johnson trademark, in conjunction with a trademark registration. See Johnson Decl., ¶ 29. Further, the WJ-III contract provided that the agreement was governed by the law of the state of Illinois. Id., section 12. Woodcock asserted that he primarily worked on the WJ-III in Tennessee. See Woodcock Aff., ¶ 26. The WJ-III was published in 2001. Id.

Johnson claims that she was never told about the WJ-III and that when she obtained a copy of the publication, it contained many questions that she had drafted or were directly developed from her questions. See Johnson Decl., ¶¶

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[1] It is Johnson's position that Woodcock worked with McGrew, a resident of Minnesota, when working on the WJ-III. See Plaintiff's Memorandum in Opposition to Defendant's Motions under Rule 12 ("Pl.'s Mem."), at p. 4 at p. 4 (citing Lacy Decl., Ex. A).

30-32; see also Complaint ¶ 118.

Woodcock asserted that since he left Minnesota in 1977, his only contacts with Minnesota were the renting of an apartment in Minnesota in the early 1980's while working of a project for Teaching Resources with three Minnesota authors and that he attended the wedding of Johnson's son around 1990. Id., ¶ 16. Woodcock also maintained that he never traveled to or corresponded with any Minnesota residents schools, or companies to promote, market or sell the WJ, WJ-R, WJ-III, and WJ spin-off tests, as all of the promotion and marketing was done by the publishers. Id., ¶ 27.

On other hand, Johnson argued that Woodcock had numerous contacts with Minnesota after 1977. These included that Woodcock still worked with Johnson who resided in Minnesota through the completion of WJ-R in 1989; that during the time period approximately between 1995 to 2001, Johnson, who resided in Minnesota, called Woodcock with questions regarding the WJ projects, and he communicated to her that he would take care of it; that sometime in the 1990's, Woodcock sent papers to Johnson in Minnesota for her to sign with regards to the assignment of her trademarks; that Woodcock sent to her Christmas gifts and letters in Minnesota up until last year; that Woodcock worked with a resident of Minnesota, McGrew, on WJ-III; and that Woodcock's *Curriculum Vitae* lists two works that he authored and had published by AGS, which are still in print and advertised for sale through AGS's website; that Woodcock's tortious acts effected Johnson in Minnesota; and that Woodcock benefited from the sale of WJ-III in Minnesota. See Pl.'s Mem. at pp. 3-6.

On April 7, 2004, Johnson filed a Complaint with this Court alleging several claims against Woodcock. Johnson's First Claim asserted that Woodcock violated the Lanham Act, 15 U.S.C. § 1125(a), by passing off the WJ and other works as being his own creations. See Complaint, ¶¶ 95-96.

Johnson's Second Claim, for state unfair competition, alleged that Woodcock is causing confusion in the minds of consumers as to the source of the works she authored. Id., ¶¶ 97-98. Johnson's Third Claim, intentional interference with present and prospective business relations, alleged that Woodcock intentionally hid the development of the WJ-III from her, prevented her from participating in that revision, and communicated to publishers that Johnson had not been involved in the development of WJ-R and had no interest in being involved in any subsequent version. Id., ¶¶ 99-129. Johnson's Fourth Claim, for intentional misrepresentation or omission, alleged that at the time the WJ-R was being revised, Woodcock was aware of the revision, and that he willfully and deliberately represented to Johnson that there was no such revision, or omitted informing Johnson of the revision with the intent to induce her to rely on the representation, and that she did act in reliance to Woodcock's representations. Id., ¶¶ 130-133. The Fifth Claim, for negligent misrepresentation or omission, asserted that Woodcock deliberately and willfully hid any mention of the revision of the WJ-R from Johnson, and did everything he could to ensure that she never discovered the work until after its completion. Id., ¶¶ 134-137. The Sixth Claim, for breach of contract, stated that Johnson worked for Woodcock for many years based on his clear and definite statements that Johnson's compensation would be a continuous royalty stream that would pass on to her sons, that she fulfilled her obligations and Woodcock's action constituted a breach under that contract. Id., ¶¶ 138-142. Johnson's Seventh Claim, for promissory estoppel, alleged that Johnson worked for Woodcock for many years based on his clear and definite statements that Johnson's compensation would be a continuous royalty stream that would pass on to her sons, and that Woodcock made these statements with the intent that Johnson would be induced to rely on the statements, that she did in fact rely on those statements to her detriment, necessitating the enforcement of

Woodcock's promise in order to prevent injustice. Id., ¶¶ 143-147.

Woodcock brought the present motion to dismiss arguing that this Court lacks personal jurisdiction over him based on his assertions that he has had no relevant contacts with Minnesota since the late 1970s. See Def.'s Mem. at p. 1. Woodcock also asserted that venue is not proper in Minnesota. Id. Alternatively, Woodcock argued that Johnson's claims should be dismissed as she has failed to state claims upon which relief can be granted. Id.

## ANALYSIS

### I. STANDARD OF REVIEW

#### A. Woodcock's Motion to Dismiss for Lack of Personal Jurisdiction

Rule 12 of the Federal Rules of Civil Procedure provides that a party may move to dismiss claims for lack of jurisdiction over the person. See Fed. R. Civ. P. 12(b)(2). To defeat a motion to dismiss for lack of personal jurisdiction, the nonmoving party need only make a prima facie showing of jurisdiction. See Pecoraro v. Sky Ranch for Boys, Inc., 340 F.3d 558, 560 (8th Cir. 2003) (citing Digi-Tel Holdings, Inc. v. Proteq Telecomm. (PTE), Ltd., 89 F.3d 519, 522 (8th Cir. 1996)); see also Dakota Industries, Inc. v. Ever Best Ltd., 28 F.3d 910, 914 (8th Cir. 1994) (citations omitted). For the purposes of a prima facie showing, this Court must view the evidence in the light most favorable to the plaintiff. See Pecoraro, 340 F.3d at 561 (citing Digi-Tel Holdings, Inc., 89 F.3d at 522, citing Dakota Indus., Inc. v. Dakota Sportswear, Inc., 946 F.2d 1384, 1387 (8th Cir.1991)). In considering a motion to dismiss pursuant to Rule 12(b)(2), the court may consider materials outside of the pleadings. See Stevens v. Redwing, 146 F.3d 538, 543 (8th Cir. 1998); Whitaker v. Am. Telecasting, Inc., 261 F.3d 196, 208 (2nd Cir. 1985); Hsin

Ten Enter. USA, Inc. v. Clark Enters., 138 F. Supp.2d 449, 452 (S.D.N.Y. 2000). "The party seeking to establish the court's in personam jurisdiction carries the burden of proof, and the burden does not shift to the party challenging jurisdiction." Epps v. Stewart Information Services Corp., 327 F.3d 642, 647 (8th Cir. 2003) (citations omitted).

B. Motion to Dismiss for Failure to State Claim under Fed. R. Civ. P. 12(b)(6)

Woodcock has also moved this Court for an order, in the alternative, dismissing claims against him, on grounds that these claims fail to state a claim. When evaluating a motion to dismiss for failure to state a claim under Rule 12(b)(6), courts must view the complaint in the light most favorable to the non-moving party and may dismiss the complaint only if no relief can be granted under any set of facts that could be proven consistently with the complaint's allegations. Alexander v. Peffer, 993 F.2d 1348, 1349 (8th Cir. 1993) (quoting Hishon v. King & Spalding, 467 U.S. 69, 73 (1984)). However, "the court need not accept, as true, wholly conclusory allegations, or unwarranted factual inferences. Moreover, in treating the factual allegations of a complaint as true, the court does not, however, blindly accept the legal conclusions drawn by the pleader from the facts." Helleloid v. Indep. Sch. Dist. Number 361, 149 F.Supp.2d 863, 867 (D. Minn. 2001). To avoid dismissal under Rule 12(b)(6), the "complaint must contain sufficient facts, as opposed to mere conclusions, to satisfy the legal requirements of the claims." DuBois v. Ford Motor Credit Co., 276 F.3d 1019, 1022 (8th Cir. 2002).

As a general rule, the Court may not consider materials "outside the pleadings" on a motion to dismiss. However, this does not mean that only the Complaint itself may be reviewed. As the Court noted in Porous Media Corp. v. Pall Corp., 186 F.3d 1077, 1079 (8th Cir.1999):

> When considering a motion for judgment on the pleadings (or a motion to dismiss under Fed. R. Civ. P. 12(b)(6)), the court generally must ignore materials outside the pleadings, but it may consider 'some materials that are part of the public record or do not contradict the complaint,' Missouri ex rel. Nixon v. Coeur D'Alene Tribe, 164 F.3d 1102, 1107 (8th Cir.), cert. denied, __U.S.__, No. 98-1848, 1999 WL 319349 (U.S. June 24, 1999), as well as materials that are 'necessarily embraced by the pleadings.' Piper Jaffray Cos. v. National Union Fire Ins. Co., 967 F. Supp. 1146, 1152 (D Minn. 1997). See also 5A Charles Alan Wright & Arthur R. Miller, Federal Practice and Procedure: Civil 2d §1357, at 199 (1990)(court may consider 'matters of public record, orders, items appearing in the record of the case, and exhibits attached to the complaint').

## II. MOTION TO DISMISS BASED ON A LACK OF PERSONAL JURISDICTION

### A. Personal Jurisdiction under Minnesota's Long-Arm Statute

In deciding whether personal jurisdiction exists in this suit, this Court must also determine if the exercise of jurisdiction is appropriate under Minnesota's long-arm statute and whether the exercise of personal jurisdiction complies with the requirements of due process. See Stanton v. St. Jude Medical, Inc., 340 F.3d 690, 693 (8th Cir. 2003) (citation omitted). Minnesota's long-arm statute, in pertinent part, provides that:

> a court of this state with jurisdiction of the subject matter may exercise personal

jurisdiction over any foreign corporation or any nonresident individual, or the individual's personal representative, in the same manner as if it were a domestic corporation or the individual were a resident of this state [where] the foreign corporation or nonresident individual:

(a) Owns, uses, or possesses any real or personal property situated in this state; or

(b) Transacts any business within the state; or

(c) Commits any act in Minnesota causing injury or property damage; or

(d) Commits any act outside Minnesota causing injury or property damage in Minnesota, subject to the following exceptions when no jurisdiction shall be found:

(1) Minnesota has no substantial interest in providing a forum; or

(2) the burden placed on the defendant by being brought under the state's jurisdiction would violate fairness and substantial justice; or

(3) the cause of action lies in defamation or privacy.

Minn. Stat. § 543.19 subd. 1(b).

However, "because the Minnesota long-arm statute extends jurisdiction to the maximum limit consistent with due

process, a court in Minnesota need only evaluate whether the requirements of due process are satisfied." MGR, Inc. v. Resolution Graphic Resources, Inc., No. Civ. 03-3247 (DWF/SRN), 2003 WL 22161585 at *2 (D. Minn. Sep. 15, 2003) (citing Wessels, Arnold & Handerson v. National Medical Waste, Inc., 65 F.3d 1427, 1431 (8th Cir.1995)).

Due process requires that a defendant have the necessary "minimum contacts" with a forum state such that "maintenance of the suit does not offend traditional notions of fair play and substantial justice." Int'l Shoe Co. v. Washington, 326 U.S. 310, 316 (1945) (citations omitted). "These 'contacts' are sufficient when 'the defendant's conduct and connection with the forum State are such that it should reasonably anticipate being haled into court there,' and the 'reasonable anticipation' requirement is satisfied if the defendant has engaged in some act by which it purposefully avails itself of the privilege of conducting activities within the forum State, thus invoking the benefits and protections of its laws." Travel Tags, Inc. v. Digital Replay, Inc., No. Civ. 02-4276 (MJD/JGL), 2003 WL 22145272 at *3 (D. Minn. Sept. 15, 2003) (citing Burger King Corp. v. Rudzewicz, 471 U.S. 462, 473 (1985); World-Wide Volkswagen v. Woodson, 444 U.S. 286, 297 (1980)).

The Eighth Circuit has developed the following test for analyzing the constitutional requirements for personal jurisdiction:

> (1) [T]he nature and quality of defendant's contacts with the forum state; (2) the quantity of contacts; (3) the source and connection of the cause of action with those contacts; and, to a lesser degree, (4) the interest of the forum state; and (5) the convenience of the parties.

MGR, Inc., 2003 WL 22161585 at *3 (citing Wessels, 65 F.3d at 1432). The first three factors are of primary importance, while the last two factors are secondary. Id.

(citing Minnesota Min. and Mfg. Co. v. Nippon Carbide Indus. Co., Inc., 63 F.3d 694, 697 (8th Cir.1995)). The third factor differentiates between general and specific jurisdiction. Id. (citing Digi-Tel, 89 F.3d at 523 n. 4); see also Ballistic Products Inc. v. Precision Reloading, Inc., No. 03-2950 (ADM/AJB), 2003 WL 21754816 at *3 (D. Minn. July 28, 2003) (citing same).

General jurisdiction over a defendant exists for any purpose where the defendant has "continuous and systematic" contacts with a forum state. See Morris, 923 F.2d at 1281 (citing Helicopteros Nacionales de Colombia, S.A. v. Hall, 466 U.S. 408, 416, 418- 19(1984)). Conversely, specific jurisdiction is based on the relationship between plaintiff's claims and the defendant's activities within the forum state. Travel Tags, Inc., 2003 WL 22145272 at *3 (citing Morris v. Barkbuster, Inc., 923 F.2d 1277, 1280 (8th Cir. 1991)); see also Quality Improvement Consultants, Inc. v. Williams, No. Civ.02- 3994 (JEL/JGL), 2003 WL 543393 at *3 (D. Minn. Feb. 24, 2003) (citing Helicopteros Nacionales de Colombia, S.A. v. Hall, 466 U.S. 408, 414 n. 8 (1984)) ("Specific jurisdiction refers to the exercise of personal jurisdiction over a defendant in an action arising out of or related to the defendant's contacts with the forum."); Ballistic Products Inc., 2003 WL 21754816 at *3 ("Specific jurisdiction is jurisdiction over causes of actions arising from or related to a defendant's actions in a forum state. . . ."); Commodities Specialists Co. v. Brummet, No. Civ. 02-1459 (JRT/FLN), 2002 WL 31898166 at *3 n. 1 (D. Minn. Dec. 27, 2002) ("Specific jurisdiction 'requires a nexus between the defendant's contact with the forum state and the subject matter of [the] plaintiff's claims.'") (quoting Paulucci v. William Morris Agency, Inc., 952 F. Supp. 1335, 1340 (D. Minn. 1997) (citation and quotation marks omitted)).

In this case, Johnson argued that Woodcock's contacts with the state of Minnesota create both general and specific personal jurisdiction over Woodcock. See Pl.'s Mem. at pp.

2-6. As such, the Court will proceed with its analysis of whether Woodcock is subject to general or specific jurisdiction in Minnesota.

B. General Personal Jurisdiction

As stated previously, "general personal jurisdiction refers to the powers of the forum state to adjudicate any cause of action involving a particular defendant regardless of where the cause of action arose if the defendant maintains 'continuous and systematic' contacts with the forum state." SL Montevideo Technology, Inc. v. Eaton Aerospace, LLC, No. Civ.03-3302 (RHK/FLN), at *2 (D. Minn. March 02, 2004) (citing Morris v. Barkbuster, Inc., 923 F.2d 1277, 1281 (8th Cir.1991), quoting Helicopteros, 466 U.S. at 416, 418-19)) (emphasis added). In making this determination, this Court must look at whether Woodcock's aggregate Minnesota contacts, at the time Johnson's various causes of action arose or immediately prior to filing the present suit, were of the nature, type and quantity to justify finding that they are sufficiently "continuous and systematic" to support a finding of general jurisdiction.[2] Id. (citing Pecoraro, 340 F.3d at 561).

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[2] On January 4, 2005, Johnson's counsel submitted a letter to this Court making additional legal arguments and attaching several cases. This letter brief is in violation of Local Rule 7.1, as counsel did not seek leave from this Court to submit additional arguments or legal support. In the letter, counsel cited to a Boat Dealers' Alliance, Inc. v. Nagin, 2004 Minn. App. LEXIS 1004 at *3 and *8 (Minn. App. Aug. 21, 2004), cert. denied, (Minn. Oct. 27, 2004), for the proposition that only considering contacts with a forum state at the time a suit is commenced for the purposes of determining personal jurisdiction is too draconian of a requirement. Although the contacts in Boat Dealers' Alliance did not occur before the suit was filed, the contacts did occur around the time frame the causes of action arose. In addition, the court in Boat

In this case, Johnson argues that general jurisdiction exists based on the following contacts:

- In 1969, Woodcock lived and worked in Minnesota;
- In 1972 Woodcock created MLC in Minnesota;
- Woodcock maintained the operation of MLC in Minnesota while he was in Boston from 1974 to 1975;
- Woodcock resided in Minnesota from 1975-77;
- Even though Woodcock left Minnesota in 1977 for Oregon he still worked with Johnson who resided in Minnesota through the completion of WJ-R in 1989;
- During the time period approximately between 1995 to 2001, Johnson, who resided in Minnesota, called Woodcock with questions regarding the WJ projects, and he communicated to her that he would take care of it;
- Sometime in the 1990's, Woodcock sent papers to Johnson in Minnesota for her to sign with regards to the assignment of her trademarks;
- That Woodcock sent to her Christmas gifts and letters in Minnesota up until last year;
- Woodcock worked with McGrew, a resident of Minnesota, on WJ-III; and

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Dealers' Alliance makes no reference, nor was there any argument raised by the parties, regarding when contacts must occur in order for them to be considered in determining whether personal jurisdiction over a defendant exists. This Court has not found that only contacts at the time a suit is filed may be considered. To the contrary, this Court also examined Woodcock's aggregate Minnesota contacts at the time Johnson's various causes arose.

- Woodcock's *Curriculum Vitae* lists two works that he authored and had published by AGS, which are still in print and advertised for sale through AGS's website.

See Pl.'s Mem. at pp. 3-4.[3]

Johnson alleged that between 1975 and 1977 that she participated fully as an author of tests that were utilized in other unnamed publications for which Woodcock claimed sole authorship, in support of her claim under the Lanham Act and her state unfair competition claim that Woodcock is causing confusion in the minds of consumers by passing off the source of works as being his own creation. See Complaint, ¶¶ 54, 58, 62, 64, 69, 96, 98. Woodcock acknowledged that he lived in Minnesota from 1975 to 1977. See Woodcock Aff., ¶¶ 8, 15. Given that between 1975 and 1977, Woodcock lived and worked in Minnesota during the development and publishing of the WJ and other unnamed publications, and that Johnson claims that Woodcock wrongfully represented the extent of Johnson's involvement in these unnamed publications, this Court finds that there were systematic and continuous contacts during the period in which Johnson's Lanham Act and state unfair competition claims arose. As

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[3] In opposition to personal jurisdiction, Woodcock maintained that he has had minimal contacts with Minnesota since 1977: that he rented an apartment in Minnesota briefly in the early 1980's and attended a weeding in Minnesota in 1990; he formed and operated Measurement/ Learning/Consultants, L.L.C., in Tennessee; he contracted with a Illinois company to publish WJ-III; he did not remember receiving or making calls from/to Johnson in Minnesota; he worked on the WJ-III primarily in Tennessee; and he never traveled to or corresponded with any Minnesota residents schools, or companies to promote, market or sell the WJ, WJ-R, WJ-III, and WJ spin- off tests. See Woodcock Aff., ¶¶ 16, 23, 25, 26, 27.

such, this Court finds that these contacts warrant a finding that general personal jurisdiction exists for these claims to the extent they involved representations made relating to unnamed tests developed between 1975-1977.[4]

However, as to Johnson's remaining claims against Woodcock, which pertained to activities that occurred after 1977 and after Woodcock left Minnesota,[5] even assuming that the contacts occurring after 1977 took place around the time that these claims arose, this Court finds that general personal jurisdiction is not present for these claims.

First, Johnson claimed that after Woodcock left Minnesota in 1977 for Oregon, he still worked with Johnson who resided in Minnesota throughout the completion of WJ-R in 1989. In this regard, Johnson claimed that she flew to Oregon on many occasions in order to assist Woodcock with matters related to the WJ and the development of a Spanish WJ. See Complaint, ¶¶ 73-77. She also asserted that she was fully involved in the development of WJ-R, that Woodcock flew her repeatedly to his apartment in Arizona, and that she traveled to DLM headquarters in Texas to perform a variety of activities in conjunction with WJ-R. See Johnson Decl., ¶ 28; see also Complaint, ¶ 89. Further, Johnson alleged that she was directly involved from Minnesota as an author of WJ-R. See Complaint, ¶ 103.

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[4] This Court notes that Johnson admitted that Woodcock acknowledged her contribution to WJ and WJ-R. See Complaint, ¶ 92.

[5] This includes any Lanham Act and state unfair competition claims Johnson has alleged in relation to her involvement as an author with the Spanish WJ (Complaint, ¶ 77), as well as the Woodcock Reading Mastery Tests, the Woodcock Language Proficiency tests and other tests (Complaint, ¶¶ 78-79, 90-92), since the relevant time period for these facts was after the WJ was published and after Woodcock left Minnesota. See Complaint, ¶ 69, 71, 73-79.

As a starting point, "[m]inimum contacts are 'defined by the defendant's contacts with the forum *state*, not by the defendant's contacts with *residents* of the forum.'" Telex Communications, Inc. v. Sanomed Medizintechnik, GmbH, 2002 WL 31398725 at *5 (D. Minn. Oct. 22, 2002) (citing West American Ins. Co. v. Westin, Inc., 337 N.W.2d 676, 679 (Minn. 1983), citing Hanson v. Denckla, 357 U.S. 235, 250-55 (1958)) (emphasis in original); see also Mountaire Feeds, Inc. v. Argo Impex, S.A., 677 F.2d 651, 655 (8th Cir. 1982) (finding that defendant's contacts with the forum state are relevant for personal jurisdiction, not defendant's contacts with a resident). The facts alleged show that Johnson flew out to wherever Woodcock was located to help him on various projects; however, the fact that Woodcock had a resident of Minnesota fly out to another state does not constitute a contact with Minnesota. Further, the fact that Johnson worked on the WJ-R and other various tests in Minnesota does not impute on to Woodcock a contact with Minnesota. "It is the *defendant's* contacts in a forum state that are important in determining whether in personam jurisdiction exists." Tennant Co. v. National Building Maintenance Co., Inc., No. Civ. 02-411 (ADM/AJB), 2002 WL 1402539 at * 3 (D. Minn. June 28, 2002) (emphasis in original) (citations omitted). "The unilateral action of those who claim some relationship with a nonresident defendant cannot satisfy the requirement of contact with the forum State." Id. (citing Hanson, 357 U.S. at 253; Mountaire Feeds, Inc. v. Agro Impex, S.A., 677 F.2d 651, 655 (8th Cir. 1982)); see also Source One Enterprises LLC v. CDC Acquisition Corp., No. Civ. 02- 4925 (PAM/RL), 2003 WL 21263578 at *2 (D. Minn. May 29, 2003) ("'[U]nilateral activity of another party or a third person' will not support personal jurisdiction.") (quoting Burger King Corp., 471 U.S. at 475). As such, Johnson's unilateral act of working in Minnesota is irrelevant to the issue of Woodcock's contacts with Minnesota.

The same goes for Johnson's argument that her

telephone calls to Woodcock and that Woodcock worked on WJ-III with McGrew, a resident of Minnesota, contributed to the aggregate contacts for a finding of general personal jurisdiction. Johnson's telephone calls from Minnesota to Woodcock, who at the time resided outside of the state, constitutes a unilateral activity of Johnson that cannot support personal jurisdiction. Similarly, there has been no evidence presented that Woodcock worked with McGrew in Minnesota; the only evidence before this Court is that Woodcock worked on the WJ-III with an individual who happened to be a resident of Minnesota. See Mountaire Feeds, Inc., 677 F.2d at 655.

Further, this Court finds that even if AGS, a Minnesota company, published two of Woodcock's tests, and these tests are still available for sale on AGS's website, or that Woodcock sent documents to Johnson in Minnesota regarding assigning her trademark sometime in the 1990's, or that Woodcock sent gifts or letters to Johnson once a year, these activities cannot be seen in the aggregate as constituting systematic and continuous contacts by Woodcock with Minnesota so as to warrant a finding of general jurisdiction. The fact that AGS presently advertises and sells the two tests authored by Woodcock over the internet is of no relevance as it is Woodcock's contacts with Minnesota, and not AGS's contact with Minnesota, which this Court must examine to determine personal jurisdiction.[6] Further, periodic mailings of documents or gifts are not sufficient, in themselves, to establish personal jurisdiction. See Digi-Tel Holdings, Inc., 89 F.3d at 523 (holding that "[a]lthough letters and faxes may

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[6] Even if it was found that Woodcock had an active role in the marketing and sale of his tests with AGS on the internet, given the sparse records, this Court had no way to determine the quantity and quality of its website generated contacts with residents of Minnesota. See Lankin v. Prudential Services, Inc., 348 F.3d 704, 712 (8th Cir. 2003).

be used to support the exercise of personal jurisdiction, they do not themselves establish jurisdiction") (citations omitted).

In summary, when this Court examines Woodcock's contacts with Minnesota since 1977, it concludes that they are insufficient in the aggregate to confer general jurisdiction over Woodcock in Minnesota.

C. Specific Personal Jurisdiction

Johnson argued that specific jurisdiction is appropriate in this case on the grounds that (1) Woodcock's tortious actions were directed towards Johnson in Minnesota, and (2) Woodcock derived significant monetary benefit from having the WJIII sold in Minnesota.[7] See Pl.'s Mem. at pp. 4-5. The Court will discuss these claims of specific personal jurisdiction in turn.

1. Specific Jurisdiction based on Tortious Actions

Johnson maintained that when the WJ-III project was contemplated, Woodcock withheld information from her. See Pl.'s Mem. at p. 5 (citing Johnson Decl., ¶¶ 29-31). Specifically, Johnson alleged that during the time that work on the WJ-III was negotiated and undertaken, she called Woodcock to ask him what he was doing and he told her that he was working with geriatric neurology, that she was never told about the WJ-III despite repeated inquiries with Woodcock, and that when she called Woodcock to inquire why her royalties from the WJ-R had dropped in half, Woodcock responded that he had no idea why that would be. See Johnson Decl., ¶¶ 29-31. In addition, Johnson asserted that WJ-III contract provided that Woodcock had to be consulted concerning recommendations for individuals to co-

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[7] This Court notes that Johnson's did not contend that specific personal jurisdiction applied to her claims for breach of contract and promissory estoppel.

author the WJ-III, and that she was excluded due to his defamatory statements, which interfered with her rights. See Pl.'s Mem. at p. 5 (citing Nauen Aff., Ex. C). It is Johnson's position that a finding of specific personal jurisdiction is proper, as the effects of Woodcock's actions would only be felt by Johnson in Minnesota. Id.

Based on Johnson's Complaint, this Court finds that these facts are only relevant, with regards to specific jurisdiction over Woodcock, to her claims of intentional interference with present and prospective business relations, and her claims for intentional and negligent misrepresentation or omission as they relate to WJ-III. See Complaint, Claims Three through Five.

Johnson cites to Calder v. Jones, 465 U.S. 783 (1984) for the proposition that a defendant can be expected to be hauled into a forum when he has undertaken tortious actions directed at a resident of a the forum. See Pl.'s Mem. at pp. 4-5. In Calder, professional entertainer Shirley Jones brought a libel action in California against the author and editor of an article that appeared in the National Enquirer, which she claimed was defamatory. The article alleged that Jones drank alcohol so heavily that it prevented her from fulfilling her professional obligations. See Calder, 465 U.S. at 789 n. 9. Although the Enquirer was distributed nationally, it had its largest circulation in California. Id. at 785. Defendant South, a resident of Florida and the reporter employed by the Enquirer, did most of his research in Florida, relying on phone calls to sources in California for information. Id. Defendant Calder, the president and editor of the Enquirer, was a resident of Florida and had no such contacts with California. Id. at 786. He reviewed and approved the initial evaluation of the topic of the article and edited drafts to its final form. Id. Both defendants moved to dismiss Jones' suit for lack of personal jurisdiction.

The Supreme Court concluded that the exercise of personal jurisdiction over the defendants was proper for the

following reasons:

> The allegedly libelous story concerned the California activities of a California resident. It impugned the professionalism of an entertainer whose television career was centered in California. The article was drawn from California sources, and the brunt of the harm, in terms of both respondent's emotional distress and the injury to her professional reputation, was suffered in California. In sum, California is the focal point both of the story and of the harm suffered. Jurisdiction over petitioners is therefore proper in California based on the 'effects' of their Florida conduct in California. . . . [T]heir intentional, and allegedly tortious, actions were expressly aimed at California. Petitioner South wrote and petitioner Calder edited an article that they knew would have a potentially devastating impact upon respondent. And they knew that the brunt of that injury would be felt by respondent in the State in which she lives and works and in which the National Enquirer has its largest circulation.

Id. at 788-90 (footnote omitted).

The Eighth Circuit has found that Calder, "approved an 'effects' test that allows the assertion of personal jurisdiction over non-resident defendants whose acts 'are performed for the very purpose of having their consequences felt in the forum state.'" See Dakota Industries, Inc. 946 F.2d at 1390 (quoting Brainerd v. Governors of Univ. of Alberta, 873 F.2d 1257, 1260 (9th Cir. 1989)) (citation omitted); see also Raymedica, Inc. v. Stoy, No. Civ.01-1841 JRT/FLN,

2002 WL 31185916 at *4 (D. Minn. Sep. 30, 2002) ("This key allegation of an intentional tort takes the contacts analysis beyond the traditional factors to the additional considerations mandated by *Calder*.") (citation omitted). Further, the "effects" test must be viewed in the light of a defendant's actions and whether they "must 'reasonably anticipate being haled into court.'" Dakota, 946 F.2d at 1391 (citing Calder, 465 U.S. at 790).

The basic principals of the "effects test" are:

> A defendant's tortious acts can serve as a source of personal jurisdiction only where the plaintiff makes a prima facie showing that the defendant's acts (1) were intentional,
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> (2) were "uniquely" or expressly aimed at the forum state, and (3) caused harm, the brunt of which was suffered--and which the defendant knew was likely to be suffered--there.

Zumbro, Inc. v. Cal. Natural Prods., 861 F. Supp. 773, 782-83 (D. Minn. 1994); see also Sproqit Technologies, Inc. v. Visto Corp., No. 04-CV-891JMRFLN, 2004 WL 2453054 at *2 (D. Minn. Apr. 02, 2004) ("To find jurisdiction, the Court must ultimately find that defendants 'expressly aimed [their] tortious conduct' at Minnesota, such that Minnesota 'can be said to be the focal point of the tortious activity.' Plaintiff also must have felt the 'brunt of the harm' in Minnesota.") (quoting Calder, 465 U.S. at 788-89). Further, the effects test under Calder is construed narrowly by the Eighth Circuit in the context of business torts -- in that it "requires that a defendant's activity be directed not simply at a forum resident, but at the forum itself. Thus, jurisdiction is proper over defendants who send false or misleading communications to a plaintiff in a forum while intending to promote commercial activity there. But the Eighth Circuit does not find that Calder is satisfied where defendant's activities are directed

elsewhere, or where the contact with the forum state is only incidental." Sproqit Technologies, Inc., 2004 WL 2453054 at *3 (citing Oriental Trading Co. v. Firetti, 236 F.3d 938, 943 (8th Cir. 2001); Finley v. River North Records, Inc., 148 F.3d 913, 916 (8th Cir. 1998); Hicklin Eng'g v. Aidco, Inc., 959 F.2d 738, 738 (8th Cir.1992); General Elec. Capital Co. v. Grossman, 991 F.2d 1376, 1387 (8th Cir. 1993)).

Further, Calder did not carve out an exception to the minimum contacts test. Rather, the affects of an alleged intentional tort are to be assessed as part of the analysis of the defendant's relevant contacts with the forum. See Mulcahy v. Cheetah Learning LLC, No. CIV. 02-791 PAM/RLE, 2002 WL 31053211 at *4-5 (D. Minn. Sep. 04, 2002) (citation omitted). In other words, absent additional contacts, the fact that a defendant's conduct affects a plaintiff in a forum state, alone is not enough to establish jurisdiction in the forum state. See Hicklin Eng'g, Inc. v. Aidco, Inc., 959 F.2d 738, 739 (8th Cir. 1992).

In Johnson's claim for intentional interference with present and prospective business relations, Johnson alleged, in relevant part, that she called Woodcock to inquire why Riverside requested her resume, photograph, and a biography of articles she had written, to which he responded that he would take care of it. See Complaint, ¶¶ 115-117. Johnson also maintained that despite her repeated inquires, Woodcock never told Johnson that that he was working on a revision of the WJ-R, and one point represented that he was working on geriatric neurology. Id., ¶¶ 118, 120; see also Johnson Decl., ¶ 29. In addition, Johnson alleged that when she called Woodcock in April of 1999 to ask him about why the statement accompanying her royalty payment said "stock depleted," Woodcock responded that Riverside merely needed to print more copies. See Complaint, ¶ 119. Finally, Johnson alleged that Woodcock told Riverside that that Johnson had not been involved in the development of the WJ-R and had no interest in being involved in any subsequent

revision. Id., ¶ 124.

This Court finds that with regards to the alleged omissions and misrepresentations made by Woodcock resulting from telephone calls made by Johnson from Minnesota, the Calder effects tests does not provide personal jurisdiction. Woodcock was a resident of Tennessee during the period of time Johnson called him. See Woodcock Aff., ¶ 23. Woodcock's only contacts with Minnesota, in conjunction with her intentional interference with present and prospective business relations claim, were Johnson's telephone calls from Minnesota to Woodcock who was outside of the state. As such, the facts in this case are similar to those presented in Wells Fargo Bank Minnesota, N.A. v. Lowe's Companies Inc., No. CIV. 01-1548 (PAM/JGL), 2002 WL 534888 (D. Minn. March 29, 2002), where Wells Fargo argued for personal jurisdiction based on Calder for misrepresentations made by the defendant. Id. at *2. In Wells Fargo Bank Minnesota, N.A, the court found that "it is clear that Lowe's did not direct any actions toward Minnesota and therefore could not have intended to cause harm in Minnesota." Id. In that case, Wells Fargo Bank of Minnesota contacted Lowe's, and in response to a request from Wells Fargo, Lowe's faxed a single document to Wells Fargo in Minnesota. Id. Specifically, the court found that "[t]hese actions can hardly be said to be directed toward Minnesota. Wells Fargo overlooks the requirement that, in order for personal jurisdiction to lie, the nonresident defendant must have purposely directed activities toward the forum state." Id. (citing Oriental Trading Co., 236 F.3d at 943). Likewise, the representations, or lack thereof, made by Woodcock as a result of inquires made by Johnson in Minnesota via the telephone cannot be said to been directed towards Minnesota. Although Johnson bore the harm resulting from Woodcock's alleged misrepresentations, it cannot be said that Woodcock purposely directed his activities towards Minnesota. As such, based on the facts in the case, this Court does not find that

Woodcock is subject to personal jurisdiction in Minnesota based on omissions and misrepresentations he allegedly made to Johnson.

Similarly, with regards to Johnson's allegation that Woodcock told Riverside that that she had not been involved in the development of the WJ-R and had no interest in being involved in any subsequent revision, these alleged representations were by a Tennessee resident, Woodcock, to Riverside, a company located in Illinois. See Woodstock, ¶ 23. There is no assertion by any of these parties that these representations took place in Minnesota. Again, while this Court accepts that the brunt of the harm would have been felt by Johnson in Minnesota, it does not find that representations were uniquely and expressly aimed at Minnesota, or that the representations were made with the intent to promote commercial activity there. See Sproqit Technologies, Inc., 2004 WL 2453054 at *3. Thus, even if there was an effect on commercial activity – i.e. not having Johnson as an author – this effect was not uniquely or expressly aimed at Minnesota, as Riverside had the authority to sell WJ-III throughout the world. See Nauen Aff., Ex. D, section 1.2.

In addition, for the same reasons discussed above, pp. 23-24 supra, specific personal jurisdiction does not apply to Johnson's intentional and negligent misrepresentation or omission claims as they relate to WJ-III, on the grounds that alleged representation and omissions made by Woodcock, as a result of telephone calls made by Johnson, do not satisfy the Calder effects test. Finally, this Court also finds that specific jurisdiction based on the "effects" test does not exist as to Johnson's negligent misrepresentation or omission claim, as the Calder "effects" test can only be sued in relation to intentional torts. See Zumbro, Inc., 861 F. Supp. at 782-83.

In sum, this Court does not find that there is specific personal jurisdiction over Woodcock in Minnesota for his alleged tortious activities pertaining to the WJ-III, as it relates to Johnson's claims of intentional interference with present

and prospective business relations, and her claims for intentional and negligent misrepresentation or omission.

2. Specific Personal Jurisdiction Based on Deriving Significant Monetary Benefit from having the WJ-III Sold in Minnesota

Johnson also argued that specific personal jurisdiction exists over Woodcock in this case as he has a derived a significant benefit from having the WJ-III sold in Minnesota. See Pl.'s Mem. at p. 5. Johnson asserted that given that Woodcock stated in his Affidavit that he published the WJ-III he cannot argue that he is insulated from the sales of WJ-III by Riverside. Id. at p. 6. Johnson's argument is unavailing given the language of the WJ-III contract between Measurement/Learning/Consultants ("Woodcock's company) and Riverside, which granted and assigned to Riverside "all rights in and to the Test, including, without limitation, the exclusive rights to manufacture, publish, copy and vend the Test throughout the World. . . ." See Nauen Aff., Ex. D, section 1.2. In other words, the evidence shows that it is Riverside, and not Woodcock, that had the say on how the test would be distributed throughout the world.

Johnson appears to be arguing that because Woodcock placed the WJ-III into the "stream of commerce," he should have anticipated being hauled into Minnesota courts as the test is sold throughout the state. "Under the stream of commerce theory, due process is satisfied where a product manufacturer or distributor places a significant number of the product into the stream of commerce with knowledge that the product would be distributed into the forum state." Tuttle v. Lorillard Tobacco Co., 118 F. Supp.2d 954, 959 (D. Minn. Sep. 28, 2000) (citing World-Wide Volkswagen Corp. v. Woodson, 444 U.S. 286, 291 (1980); Asahi Metal Indus. Co., Ltd. v. Superior Court of California, 480 U.S. 102, 107 (1987)). As a starting point, this Court finds that it is Riverside, and not Woodcock, which is responsible for the

manufacture, distribution or sale of the WJ-III. See Nauen Aff., Ex. D, section 1.2. Thus, it is Riverside that placed the WJ-III into the stream of commerce, and not Woodcock.

Further, the placement of a product into the steam of commerce alone, without more, does not constitute an act of the defendant purposefully directed at the forum state. See Asahi, 480 U.S. at 112. Additional conduct by a defendant is required to indicate an intent or purpose to serve the market in the forum state. This may consist of designing a product for market in the forum state or advertising in the forum state. However, "a defendant's awareness that the stream of commerce may or will sweep the product into the forum State does not convert the mere act of placing the product into the stream into an act purposefully directed toward the forum State." Id.

Here, Woodcock, a resident of Tennessee, contracted with an Illinois company to publish the WJ-III. There has been no evidence submitted by Johnson showing that Woodcock intended to serve the Minnesota market, except that he contracted with a company that was going to sell the test throughout the world, thereby possibly including Minnesota. As stated above, the mere awareness that the stream of commerce will sweep a product into a forum state is not sufficient, by itself, to mandate a finding of personal jurisdiction. See id.

Finally, specific personal jurisdiction based on a stream of commerce theory does not normally extended "beyond the products liability context or beyond a dispute pertaining to the product." Guinness Import Co. v. Mark VII Distributors, Inc., 971 F. Supp. 401, 409 (D. Minn. 1997). Here, the focus of the dispute is on the actions of the parties, mainly the actions of Woodcock, and not the WJ-III itself. As such, this Court finds, for all of the above reasons, that sale of the WJ-III in interstate commerce does not provide the nature and quality of contacts needed to satisfy a prima facie showing of personal jurisdiction in Minnesota.

3. State's Interest and Relative Convenience to the Parties

The Court's analysis of the fourth and fifth factors -- the state's interest and the relative convenience to the parties -- does not change the conclusion that personal jurisdiction cannot be exercised over defendants in this Court. First, "Minnesota's interest in providing its residents with a forum cannot make up for the absence of minimum contacts." See Digi-tel, 89 F.3d at 525 (citing Falkirk Min. Co. v. Japan Steel Works, Ltd., 906 F.2d 369, 376 (8th Cir. 1990)). Second, witnesses relevant to this case are located in Minnesota, Illinois, Texas and Tennessee. Thus, the convenience of the parties does not favor either side of this dispute. In sum, Woodcock lacks the minimum contacts with Minnesota necessary for this Court to find personal jurisdiction over him based on his alleged tortious acts or the fact he benefited from the sale of the WJ-III in Minnesota.

In sum, the only claims that Johnson has made out a prima facie showing of personal jurisdiction are her Lanham Act and state unfair competition claims, to the extent they involved representations made by Woodcock relating to unnamed tests developed during 1975-1977. All of her other claims must be dismissed because this Court lacks the jurisdiction to entertain them.

III. MOTION TO DISMISS FOR IMPROPER VENUE

Woodcock's sole argument related to improper venue was that because Woodcock was not subject to personal jurisdiction in Minnesota, venue was also improper. See Def.'s Mem. at p. 15 (citation omitted). Given that this Court has found personal jurisdiction exists as to part of Johnson's Lanham Act and state unfair competition claims, his motion to dismiss based on improper venue is denied.

## IV. MOTION TO DISMISS FOR FAILURE TO STATE A CLAIM

Woodcock argued that to the extent Johnson has stated Lanham Act and state deceptive trade practices claims for the WJ "spin-off" tests, the applicable statue of limitations bars such claims and therefore, on this basis they should be denied.[8] See Def.'s Mem. at p. 15.

A six-year statute of limitations governing fraud claims under Minnesota law applies to Lanham Act actions. See Multi-Tech Systems, Inc. v. Hayes Microcomputer Products, Inc., 800 F. Supp. 825, 849 (D. Minn. 1992) (citing Fox Chemical Co. v. Amsoil, Inc., 445 F. Supp. 1355, 1359 (D. Minn. 1978)). In addition, Johnson's state deceptive trade practices claim under Minn. Stat. §§ 325D.44 et seq. are also governed by the six-year statute of limitations under Minnesota law. See Appletree Square I Ltd. Partnership v. Investmark, Inc., 494 N.W.2d 889, 891 (Minn. Ct. App. 1993). An action under the Lanham Act and Minn. Stat. §§ 325D.44 et seq., as it pertains to publication, accrues by or shortly after an item is released. See Hot Wax, Inc. v. Warsaw Chemical Co., 45 F. Supp.2d 635, 647 (N.D. Ill. 1999) (noting that Lanham Act cause of action accrues when plaintiff has knowledge or reason to know of underlying violation); see also Charles Atlas, Ltd. v. DC Comics, Inc., 112 F. Supp.2d 330, 334 (S.D.N.Y. 2000) (finding that all the plaintiff's claims involving a publication, including the claim under the Lanham Act accrued upon the document's publication or shortly thereafter); Klehr v. A.O. Smith Corp., 875 F. Supp. 1342, 1352-53 (D. Minn. 1995) (citations omitted), aff'd. 87 F.3d 231, cert. granted 519 U.S. 1073, aff'd. 521 U.S. 179 (1997) (finding that a six-year limitations period on suit under the Minnesota version of Uniform

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[8] This Court will not address the remainder of Woodcock's Rule 12(b)(6) motion, as it lacks the power to adjudicate these claims.

Deceptive Trade Practices Act, commenced when the alleged statutory violations occurred).

Johnson alleged that during the period of time the WJ was being developed, Woodcock, with the help of Johnson as an author, developed additional tests for which he claimed sole authorship or authorship with other co-authors and that she was responsible for supervising those tests. See Complaint, ¶ 54. Given that the "spin-off" tests were developed between 1975-1977 and Johnson filed her Complaint of April 7, 2004, this Court finds that the six-year statue of limitations bars Johnson's Lanham Act and state deceptive trade practices claims.

## RECOMMENDATION

For the reasons set forth above and based on all the files, records, and proceedings herein, IT IS RECOMMENDED that:

> The defendant's Motion to Dismiss [Docket No. 2] be GRANTED.

Dated: January 20, 2005

*s/ Janie S. Mayeron*
JANIE S. MAYERON
United States Magistrate Judge

Pursuant to Local Rule 72.1(c)(2), any party may object to this Report and Recommendation by filing with the Clerk of Court, and by serving upon all parties on or before February 7, 2005 a copy of this Report, written objections which specifically identify the portions of the Report to which objections are made and the bases for each objection.

Unless the parties stipulate that the District Court is not required by 28 U.S.C. § 636 to review a transcript of the hearing in order to resolve all objections made to this Report and Recommendations, the party making the objections shall timely order and file a complete transcript of the hearing on or before February 7, 2005.